

Cosponsor H.R. 4655
The Patriotic Employers of Guard and Reservists Act

Dear Colleague,

When a National Guardsman or Reservist is called up to active duty, their civilian job – and salary – is put on hold, and they begin receiving military pay, which is often much less than their civilian salary. This places undue hardship on many families who are already suffering the absence of a loved one. The military increasingly relies on our Reserves and National Guard forces to achieve its missions. Currently, over 170,000 National Guard and Reservists are on active duty, with many serving in Iraq, Afghanistan or elsewhere on the front lines of the war against terror. Furthermore, most are serving extended tours of duty, deployed for longer periods than they, their families, or their employers expected.

We invite you to join us as cosponsors to H.R. 4655, the Patriotic Employers of Guard and Reservists Act of 2004. This bill provides tax credits to those employers who continue to pay the salary of National Guardsmen and Reservists serving overseas and tax credits to help these employers defray the costs of hiring and training new workers to fill these temporary vacancies. H.R. 4655 will do a lot to help our troops' families and encourage more companies to keep their employees on salary while serving our nation.

Specifically, H.R. 4655 will:

- Provide a 50% tax credit to employers continuing to pay activated Guard and Reserve employees, with a cap of \$30,000 (i.e. \$15,000 credit) per employee;
- Cover salaries paid on days when the employee is activated for up to 2 years to cover the entirety of the deployment; and
- Provide a 50% tax credit to employers up to \$12,000 in costs (i.e. \$6,000 tax credit) to help companies, especially small businesses and manufacturers, hire and train temporary workers to fill-in for activated employees.

We all know the continuing activation of our Guard and Reservists has imposed a tremendous burden on many of our country's companies, small businesses, and manufacturers. The U.S. Chamber of Congress estimates that 70 percent of military reservists called to active duty work in small- or medium-sized businesses. The proposal to provide tax credits to employers and close the pay-gap for Reservists and National Guard is supported by the U.S. Conference of Mayors, the National Guard Association of the United States (NGAUS), and the Reserve Officers Association of the United States.

Please join us in helping businesses weather the loss of an employee to active duty and protecting employees and their families from suffering financial hardship when serving our nation in uniform. To cosponsor H.R. 4655, please feel free to contact us or Cindy Buhl at 5-6101 (cindy.buhl@mail.house.gov).

Sincerely,

James P. McGovern
Member of Congress

Tom Lantos
Member of Congress